

***Full Cost Decision Memorandum: Travel Funding (TR-01)***

***Issue:***

How is travel funding managed in a full cost environment?

***Source / reference:***

LaRC Full Cost Implementation Team (2003-2004)  
LaRC Office of the Chief Financial Officer (OCFO)

***Background:***

Prior to FY-04 NASA travel funding was controlled by a separate appropriation approved by Congress. In that regard, travel funding was funded in a separate fund source to maintain sound funds control. These funds control processes were monitored by Financial Management/OCFO and strictly regulated by law. Beginning in FY 04, the appropriation limitation does not apply because all funds received for FY-04 and subsequent years are summarized in two appropriations without any type of identification (i.e. payroll, travel and procurement funds).

***Options:***

1. Center projects should execute the budget plan for the year by securing all travel funds
2. The OCFO distributes all travel funds according to the budget plan submitted by the projects at the Center. Any additional travel funds that are needed must be requested by the projects at the Center and evaluated by the OCFO prior to approval.

***Decision:***

Option 1. Center projects should have control over direct project resources. In that regard, project managers should evaluate spending on a monthly basis and verify established plan vs. actual comparisons to control the use of the travel funds. If there is a need to increase travel funds, allocations of funds should be made to those activities by realigning budgets within the project (ie. spend fewer funds on procurements/service pools, etc... and spend more funds to travel as required). However, due to system complications, the budget plans must be coordinated and changed through the Office of the Chief Financial Officer (OCFO).

***Approved by LaRC CFO (Ken Winter) 10/17/03***

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